

ACQUISITION REFORM

Army Contracting Progress Report

The FY00 Procurement Statistical Reports and Summary of Procurement Actions have been published, and the Office of the Deputy Assistant Secretary of the Army for Procurement has completed its annual progress reports. The results are posted on the Web at <http://acqnet.saalt.army.mil/acqref/armetrc.htm>.

By looking at historical data, conducting ratio analysis, and assessing the overall trends, we can reach important conclusions about the health of the contracting mission area, in general, and the impact of Army acquisition reform, in particular. One key measurement tool that has been used since 1995 is the cost-to-purchase ratio. This ratio shows the cost of purchasing one dollar's worth of supplies or services. Over the analysis period from FY95 through FY00, the cost-to-purchase ratio decreased from 1.42 cents per dollar in FY95 to 1.12 cents per dollar in FY00, a decrease of 21 percent.

Another ratio being studied is the average annual obligation per person. Between FY95 and FY00, the average

dollar obligated per person per year has risen from \$3.3 million to \$5.4 million, an increase of 64 percent over that period. This ratio indicates that the average Army contracting professional has become significantly more productive in terms of total output. This increase is attributed to a variety of factors including personnel reductions, process improvements, and acquisition reform initiatives.

A third ratio being examined is the average obligation per contracting action. Between FY95 and FY00, this ratio has risen from \$14,400 per action to \$83,165 per action—an increase of more than 578 percent. This reflects the increased use of the government purchase card for micro-purchases, as well as consolidating contract requirements whenever possible.

The Army Acquisition Reform Office will continue to test these and other management metrics to determine whether or not our improvement efforts are yielding the desired outcomes.

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AWARDS

PMs/ACs Of The Year Honored

The Army's Project Manager of the Year Award, Product Manager of the Year Award, and two Acquisition Commander (AC) of the Year Awards were presented in early August during a ceremony at the annual Army Acquisition Workshop in Atlanta, GA. The winners, all recognized for their outstanding achievements, are as follows:

- *Project Manager of the Year*—COL Patrick J. O'Reilly, PM, Theater High Altitude Area Defense;
- *Product Manager of the Year*—LTC Edward L. Mullin, PM, PATRIOT Advanced Capability-3;
- *Acquisition Commander of the Year* (O6 level)—COL William N. Phillips, Commander of Defense Contract Management, San Francisco, CA;
- *Acquisition Commander of the Year* (O5 level)—LTC George P. Slagle, Commander of the National Training Center, CA.

Any military or civilian PM (LTC/GS-14 and COL/GS-15) is eligible to receive the PM Award. Acquisition commanders occupying positions on the Command Designated Position List are eligible to receive the Acquisition Commander Award.

DiMarco Receives Hite Award

MAJ Andrew J. DiMarco received the LTG Ronald V. Hite Award at a ceremony held May 31, 2001, at Fort Leaven-

worth, KS. Established in March 1999 by LTG Paul J. Kern, Director, Army Acquisition Corps (AAC), the award recognizes the outstanding AAC student attending the resident Command and General Staff Officer Course (CGSOC). This year's award was presented by COL Frank Davis, Director, Army Acquisition Career Management Office. DiMarco received an individual plaque, a three-star AAC coin, and a congratulatory note from Kern. Additionally, DiMarco's name was placed on a plaque that is permanently displayed at the U.S. Army Command and General Staff College.

DiMarco was selected from 58 AAC students attending the 2000-2001 CGSOC. All AAC officers attending the resident CGSOC are eligible for the award. Selection is based on a student's grade point average, contribution to group work, leadership skills, written and oral communications, research ability, recommendation from the student's academic counselor or evaluator, and consensus of the acquisition faculty. Hite, for whom the award is named, is a former AAC Director who was instrumental in establishing the Acquisition Education and Training Program (AETP) at the U.S. Army Command and General Staff College.

The AETP provides instruction in a distinct Acquisition Corps area of concentration within CGSOC and a fully funded M.A. degree-producing Acquisition Graduate Degree Program offered in conjunction with the CGSOC. The AETP was described in an article in the July-August 2000 edition of *Army AL&T*.

DiMarco's next assignment is in the Office of the Project Manager for Heavy Tactical Vehicles at the U.S. Army Tank-automotive and Armaments Command, Warren, MI.